



2005-06 REVISED/NEW FEE REQUESTS
PROGRAM SUMMARY

GROUP NAME: Fiscal
DEPARTMENT NAME: Treasurer-Tax Collector/Public Administrator
FUND NAME : General
BUDGET UNIT: AAA TTC
PROGRAM: Treasurer-Tax Collector/Public Administrator

PROGRAM APPROPRIATION AS CURRENTLY BUDGETED	
Budgeted Appropriation	\$ 18,229,673

PROGRAM APPROPRIATION IF FEE REVISIONS ARE ACCEPTED	
Revised Appropriation	\$ 18,394,673

DIFFERENCES (See Following Page for Details)	
	\$ 165,000

PROGRAM FUNDING SOURCES AS CURRENTLY BUDGETED	
Current Fee Revenue for listed fees	495,000
Fee Revenue for fees not listed	11,572,207
Non Fee Revenue	2,888,472
Local Cost	3,273,994
Budgeted Sources	\$ 18,229,673

PROGRAM FUNDING SOURCES IF FEE REVISIONS ARE ACCEPTED	
Fee Revenue for listed fees	660,000
Fee Revenue for fees not listed	11,572,207
Non Fee Revenue	2,888,472
Local Cost	3,273,994
Revised Sources	\$ 18,394,673

165,000
-
-
-
\$ 165,000

SUMMARY OF JUSTIFICATION FOR FEE REQUEST(S)	
Change in Employee Related Costs	
Inflationary Costs	
Other	165,000
Total	\$ 165,000

Summary of Justification for Fee Request(s) and the Budgetary Impact to Program if Fee(s) are approved:
See Attached



**2005-06 REVISED/NEW FEE REQUESTS
SUMMARY OF JUSTIFICATION AND BUDGETARY IMPACT**

GROUP NAME: Fiscal
DEPARTMENT NAME: Treasurer-Tax Collector/Public Administrator
FUND NAME : General
BUDGET UNIT: AAA TTC
PROGRAM: Treasurer-Tax Collector/Public Administrator

Summary of Justification for Fee Requests(s) and the Budgetary Impact to Program if Fee(s) are approved:

(1.) The Treasurer-Tax Collector is responsible for collecting and processing delinquent unsecured property taxes. The unsecured delinquency processing fee was introduced in fiscal year 2000-01 and has not been increased since that time. The current fee of \$45 per delinquent parcel does not fully cover the costs of collecting and processing these taxes. The proposed fee of \$60 per delinquent parcel will more sufficiently cover the costs involved in collecting these taxes in a timely manner, thereby providing more effective and efficient return of these taxes to the appropriate taxing agency.

These costs include staff time, data processing, services and supplies. As the cost of collecting these delinquent taxes has increased, the difference between the costs and the revenues received from the unsecured delinquent fee has been funded by other revenue sources and from local cost. California Revenue and Taxation Code Section 2922(e) allows for the Tax Collector to charge delinquent unsecured properties with the actual cost of collections. Approval of this fee increase will allow the Treasurer-Tax Collector to maintain current unsecured property tax collection efforts during 2005-06 and provide for funding of these collection efforts in accordance with California Revenue and Taxation Code.

If not approved, current efforts including increased automation and taxpayer awareness will have to be diminished or funded through local cost or other revenue sources unrelated to unsecured delinquent property taxes. By increasing the fee to match the costs incurred related to the fee, the previous revenue source used is available for other non fee-supported Tax Collector activities including taxpayer services via internet and telephone, transient occupancy tax collection and reporting, and automation of tax collection processing. Impact to the 2005-06 budget includes \$165,000 in additional revenues and \$165,000 in additional expenditures.

(2.) The purpose of the fee is to recover costs associated with the redemption of defaulted secured properties. The redemption fee was last increased in fiscal year 1994-95 from \$225 to \$325 per parcel. The Treasurer-Tax Collector charges a fee of \$325 per parcel for defaulted secured properties that have been redeemed after a notice of intent to sell has been recorded. The proposed fee of \$475 per parcel more sufficiently covers the cost associated with the redemption of these properties, which includes staff time, data processing, legal research, postage, and title search. The fee increase will be used to offset costs for legal research and title search which will increase significantly over the next fiscal year as the department's contracts for these services expire and new contracts are negotiated.

There is no impact to the 2005-06 budget due to the timing of the revenues received from this fee. Impact to the 2006-07 budget is estimated to be an increase in revenues of 315,000 and an increase in expenditures of \$315,000. Approval of this fee increase will allow the Treasurer-Tax Collector to continue to return defaulted secured properties back to the tax rolls in an efficient and timely manner during 2006-07 and beyond.



2005-06 REVISED/NEW FEE REQUESTS FEE SUMMARY

GROUP NAME: Fiscal
DEPARTMENT NAME: Treasurer-Tax Collector/Public Administrator
FUND NAME : General
PROGRAM: Treasurer-Tax Collector/Public Administrator

CURRENT FEE ORDINANCE/ CODE SECTION	FEE TITLE/ DESCRIPTION	CURRENT FEE	CURRENT UNITS IN BUDGET	CURRENT FEE REVENUE	PROPOSED FEE	PROPOSED UNITS	PROPOSED/ NEW FEE REVENUE	CHANGE IN FEE	CHANGE IN UNITS	CHANGE IN REVENUE	INCREASE IN APPROP	JUSTIFICATION FOR REQUEST INCLUDE BUDGETARY IMPACT IF FEE IS APPROVED
16.0230(aa)	Unsecured delinquency processing fee	\$45.00	11,000	\$ 495,000	\$ 60.00	11,000	\$ 660,000	\$ 15.00	-	\$ 165,000	\$ 165,000	The Treasurer-Tax Collector is responsible for collecting and processing delinquent unsecured property taxes. The current fee of \$45 per delinquent parcel does not fully cover the costs of collecting and processing these taxes. The proposed fee of \$60 per delinquent parcel will more sufficiently cover the costs involved in collecting these taxes in a timely manner, thereby providing more effective and efficient return of these taxes to the appropriate taxing agency. Impact to the 2005-06 budget includes \$165,000 in additional revenues and \$165,000 in additional expenditures.
16.0230(j)	Redemption fee- tax defaulted parcels	\$ 325.00	-	\$ -	\$ 475.00	-	\$ -	\$ 150.00	-	\$ -	\$ -	The purpose of the fee is to recover costs associated with the redemption of defaulted secured properties. The Treasurer-Tax Collector charges a fee of \$325 per parcel for defaulted secured properties that have been redeemed after a notice of intent to sell has been recorded. The proposed fee of \$475 per parcel more sufficiently covers the cost associated with the redemption of these properties, which includes staff time, data processing, legal research, postage, and title search. There is no impact to the 2005-06 budget due to the timing of the revenues received from this fee. Impact to the 2006-07 budget is estimated to be an increase in revenues of \$315,000 and an increase in expenditures of \$315,000 which more accurately reflects the cost of redemption of these properties.